Exhibit 12

two.

So the evidence is going to show, again, Uber makes unilateral decisions, we don't cooperate with driver partners to determine the price. It's not part of the Uber business plan to say, drivers, what should be the price and there is not some nationwide conspiracy.

So another thing that's a label, and we point this out on slide 15. Actually, it sort of shifts on this, you heard in the opening statement, higher prices, which is not an antitrust term. The antitrust term is super competitive, which is sort of awkward above competitive levels, and that's what the District Court said, that they had alleged super-competitive prices for the common motive and for antitrust injury, that there would be super-competitive prices for super-competitive products. You will not here boo about that in this case. For that, you have to do an analysis where you compare the market

before and after and they decided not to put on any evidence about that.

ARBITRATOR WEINSTEIN: Is boo Latin?

MR. ISAACSON: I took four years of Latin in high school and I blanked almost all of it out of my mind.

All I remember is ubi sub ubi. Always wear underwear. That's it. That's all I've got.

The other thing about the economic analysis is lawyers use this term, economists use this term, but-for world, sort of an awkward way of saying how would things be different if you actually had a competitive system as opposed to these restraints and instead of analyzing that, instead, they suggest alternative business structures without showing that they would work, but such as employer, employee, franchise, they don't actually show, here is what the prices would be in a competitive structure and, in fact, they don't even

ARBITRATOR WEINSTEIN: Call your witness.

MR. FELDMAN: Claimant calls Spencer Meyer for the first witness.

S P E N C E R M E Y E R, called as a witness, having been duly sworn by a Notary Public, was examined and testified as follows:

ARBITRATOR WEINSTEIN: Before we begin, let me make just a couple of observations with regarding the subject of evidence and how I conduct these proceedings.

First of all, this is arbitration. Federal rules do not govern it, so there is automatically a greater liberale in allowing in evidence.

I am also very mindful of the fact, as I was with regard to the preliminary motions, that I decided that for all practical purposes, there is no appeal from what is decided here. There is some exceptions, but not many and that, therefore, the plaintiff is entitled to,

in a sense, certain presumptions that he might not get if there were an Appellate Court standing there to rule on certain things.

I have, in my mind, decided nothing or certainly nothing I would tell you about. I claim to have an open mind. I am aware there are lots of issues in this case that are fascinating and it, obviously, involves more than $80, so with that in mind, proceed.

MR. FELDMAN: Thank you, Mr. Weinstein.

DIRECT EXAMINATION

MR. FELDMAN:

Q. Good morning, Mr. Meyer.

A. Good morning.

Q. I would like to start with a few background questions.

Mr. Meyer, how old are you?

A. Forty-one.

Q. Where do you live?

A. Guilford, Connecticut.

Q. With whom?

H.E Yasir Al-Rumayyan, spelling I will give you later, Ursula Burns, Garrett Camp, Wan Ling Martello, John Thain, David Trujillo and the current CEO?

A. And me, it sounds about right, sounds good.

Q. In addition to your seat on the Uber board, you've appointed three of the other current members, correct?

A. Ursula Burns, Wan Ling Martello and John Thain.

Q. So including yourself, you filled four out of the nine seats on the current Uber board, correct?

A. Yeah, but one of them was common stock approved appointment, that was Wan Ling Martello, so I nominated her and then she was approved.

Q. Thanks for clarifying.

You were the CEO of Uber from October 2010 through June 2017, right?

A. Yes, that's correct.

Q. You were also, for a brief period, a driver on Uber platform, right?

MR. FELDMAN: For the same trip.

ARBITRATOR WEINSTEIN: You need to tighten up these questions. They're very fuzzy.

A. So the consumer fare on Uber was always the same.

Q. Drivers themselves had no --

A. By the way, that's at the beginning, over time that changed.

Q. To be clear, I'm asking you about the launch of Uber.

A. The timeframe is important because that changed over time.

Q. So drivers had no ability to control the fare displayed to passengers over the Uber platform, correct?

A. That is correct.

Q. Uber controlled the setting of that fare, correct?

A. That is correct.

Q. When you pitched these first companies on joining Uber, you explained how pricing would work, right?

A. Usually, it was about how they

rough or refined, was generally the same in the new cities, is that correct?

A. Again, we were always trying to find, what was the lowest price we could hit that would still allow for drivers to be on the system and be excited about being on the system.

Q. Let me direct you back to page 64 of your deposition transcript, starting at the bottom.

ARBITRATOR WEINSTEIN: Why the lowest price?

THE WITNESS: Because the lowest price meant you would do the most trips because you have the most demand and when you got more demand, the system would get more efficient and drivers would do more trips per hour and actually make more money.

So there was an interesting effect where lower prices ended up allowing drivers to actually make more money per hour, though it was harder work in that individual hour.

ARBITRATOR WEINSTEIN: Supply and demand.

THE WITNESS: That is true.

Q. At the bottom of page 64, on line 25, I asked you the following questions, you gave the following answers.

We have read some of this before, my apologies.

Question: In the new city where Uber launched in that period of time, what was the pitch to drivers?

Answer: It was the same.

Question: And by what process did Uber design pricing?

Answer: I think I have described that.

Question: It's the same as what you described earlier?

Answer: Yes.

Did I read that correctly?

A. I believe so.

ARBITRATOR WEINSTEIN: Isn't the question, did you not read it correctly, but is that the fact?

that's not a 2010 thing, that's more of -- that's a later on thing, so 2014, '15, '16, et cetera, and I don't know the exact date. At some point, there was an upfront price that became much more dynamic.

Q. So any particular point in time when an Uber rider is requesting a ride, each of the Uber products will almost certainly have a different ETA associated with them, as well, correct?

A. That's a totally different thing. That just depends on where the cars are for each of those products. If there is an SUV that is one minute away and an UberX one minute away, you will get the same ETA.

Q. So they may or may not have the same ETA, is that right?

A. Yeah.

Q. And drivers cannot control the fare displayed to a potential rider today on the Uber app, can they?

A. That's correct.

Q. That's true for all of the Uber driving products, is that right?

A. I believe so, yes.

Q. As far as you know, Uber has never considered allowing drivers to control the fare displayed to riders, right?

A. It's just really hard to come up with a model that would make that work.

Q. You don't know of any consideration of that, do you?

A. I mean, it's been a thought. It's never something we've done.

Q. Is it ever something you worked up?

A. I don't know what that means.

Q. Is it ever something you've taken beyond the thought process?

A. No.

Q. Let's talk now about surge pricing.

You invented surge pricing, too, didn't you?

A. What do you mean?

Q. You invented surge pricing, you came up with the idea?

A. Yes.

Q. Something you thought up actually in the shower, right?

if a rider has better alternatives or cheaper alternatives, they will or maybe it's just too expensive, the alternative could be walking, unfortunately, but not, basically, the price gets too high, not as many people will afford it or they will have better alternatives to get there.

Q. So when surge pricing increases the fares, some people won't be willing to pay that higher price, is that true?

A. That's true, but there is sort of a nonintuitive result, which is when surge happens, more rides would happen because more cars would come on the road and those cars would be full because there was high demand, so you are already in a situation where demand was outstripping supply and what you want to do is increase supply, so you could do more trips, but part of that when you raise prices is decrease demand, so the price is right where demand and supply sort of match.

ARBITRATOR WEINSTEIN: I don't want to hurt your feelings, but when surge

prices go on, I check Lyft.

THE WITNESS: That's fair. I get that. That is very much about, okay, is this system that we have to find the right price, the right time and the right route, is it the best system. My guess is your ETAs on Lyft are longer. Just putting it out there, so the value of time is also part of that equation.

ARBITRATOR WEINSTEIN: We will talk later.

THE WITNESS: Fair enough. I have a discount code.

MR. FELDMAN: Objection. That was a joke for the record.

Q. I want to talk about the mechanics. Mr. Weinstein asked you about how drivers who are off the system, find out about busy times. I want to ask about drivers who are already on the system when surge pricing kicks in.

So at least during the -- going back to the time you were last CEO, at the time you were last CEO, a driver on the

system during surge pricing would see areas with surged prices, correct?

A. That is correct, yes.

Q. Can you explain how that worked?

A. So there would be an area of high demand and if a driver was a little bit too far away to be an available driver for people that are there, we would highlight the areas of high demand, so the driver would go there. If the driver goes there, it increases the supply in that area, but the reason that a driver would go there is because the prices would be higher in that area of high demand.

Q. How would the driver know that from the system?

A. It was just, like, a color coded map they could look at, so while you are driving, it would basically just show where this high demand area was.

Q. Was that called a heat map?

A. That was one way to describe it, and there are a bunch of different iterations to try to make make that super efficient and safe at the same time.

Q. Are you familiar generally with the position Uber took in those cases?

A. You would have to give me a specific case. I don't know what you are referring to.

Q. As far as you know, Uber has taken the position it's not responsible for accidents by Uber drivers?

A. It's a very practical question and --

ARBITRATOR WEINSTEIN: You provide insurance, don't you?

THE WITNESS: We sure do.

ARBITRATOR WEINSTEIN: Who do you insure?

THE WITNESS: We insure the riders and I think there is something like, its liability.

ARBITRATOR WEINSTEIN: Who do you insure? Do you insure the drivers?

THE WITNESS: Again, there is specific terms here that, like, what do we insure of the driver, what do we insure of the -- there is liability --

so here is the thing, the driver has an insurance policy already, which we all have on our car.

ARBITRATOR WEINSTEIN: You require an insurance policy?

THE WITNESS: They have to have insurance on their car, at a minimum. If they are Uber Black, they not only have normal insurance, they also have a commercial insurance policy and they already have commercial insurance. If it's UberX, then they have their own personal policy and then there is another policy which we have, as well, and what covers what. I think you should just get our insurance expert here to talk about the details. What their personal insurance covers and what we cover, I just don't have the answers, but it's the two together that create the umbrella for liability and damages and, you know, medical, and things like that, but it's the two together and, again, in almost every state in the

country and I think probably every state in the country, this is all prescribed by law as to what it needs to be and it's going to be different in every state.

ARBITRATOR WEINSTEIN: Do you require drivers in a given state to carry insurance that only meets the state minimum or do you have a minimum that you set?

THE WITNESS: So there is a personal insurance that they have to have that needs to meet whatever minimums exist in that state and then we provide a policy that goes way, way, way beyond that. I think the standard policy in the U.S. is up to -- it's a million dollars, which is way above the minimum.

ARBITRATOR WEINSTEIN: You mean your policy?

THE WITNESS: The policy we have, that's right. But in some cities in the U.S., I think it goes above million, I

believe, but, again, it's been a long time and I'm not the insurance expert.

ARBITRATOR WEINSTEIN: In California, for example, the minimum is $25,000, you don't have to insure your car, you only have to insure a minimum of $25,000 for injury to third parties.

Do you require more than that?

THE WITNESS: Again, you are talking to the wrong guy.

ARBITRATOR WEINSTEIN: You are the CEO. How many times has Uber been sued?

THE WITNESS: I was the CEO in 2017.

ARBITRATOR WEINSTEIN: How many times had Uber been sued by the time you were there?

THE WITNESS: Probably 1,000 times.

ARBITRATOR WEINSTEIN: You don't know the answer to these questions?

THE WITNESS: I don't. Remember, we are not just in California, we are in 50 states in the U.S. and 65 more countries. Do I remember every policy

and every regulation in every single city in 65 countries, it's hard.

ARBITRATOR WEINSTEIN: I didn't ask that.

THE WITNESS: My point is, you are asking me on the record what is the answer to these very technical questions and I would prefer if an insurance expert came up and answered them because we are in, like, 600 jurisdictions worldwide and I could just as easily do a deposition in India and they would ask me the same question and it's better if we want to get the right answer on insurance, let's get the insurance expert here to give the exact answer. They are very nuanced answers and I don't want to get it wrong.

ARBITRATOR WEINSTEIN: Your witness.

Q. Would it surprise you to learn that Uber's litigation position has been that it's not legally responsible to victims for driver accidents?

the more luxurious product because time is the most important luxury we all have.

So ETAs would go down, reliability would go up, you save more time, you have a service that's cheaper and getting you around more efficiently than a high priced product would do.

Q. When surge is not in effect, when you are matching riders and drivers and determining prices, what's the math problem that's involved?

A. Say that again.

Q. In a nonsurge period, I will ask you the same question about surge afterwards. Let's start with nonsurge.

What's the mathematical problem, you are matching riders and drivers and determining the right price?

A. If it's nonsurge, the price is just fixed, so the math problem is significantly reduced, but it depends, there is still significant math in other areas, but the math around price is we figure out what the fixed price would be based on how low can we get

this price based on how many trips per hour we think are going to happen at that price while keeping ETAs low.

So if you go too low, demand will be super high, but drivers won't engage in the product and then ETAs will be very long and consumers won't like the product and the whole system won't work, so if we offered a price that was 5 cents for a ride, riders would love it and there would be no drivers out there and nobody would get a ride, so if the price is too low, you don't get a lot of rides, but, also, if the price is too high. Well, all the drivers are out. They're pumped about the price, but there will be no consumer that wants to pay, so if the price is too high, you also have no rides.

So it's always about finding that point where you're maximizing the number of rides by getting riders and drivers to engage at a particular price point.

Q. Who is deciding that, that what is that right point?

A. It's an algorithm. I don't know

exactly how many Ph.D.s are at the company right now working on this problem, but it's dozens, if not hundreds.

Q. If the drivers don't like that price point, does that change the algorithm?

A. Well, if the drivers don't like the price point, then you have fewer drivers on the system which might be okay if you don't need extra drivers. It depends what demand is doing at that moment in time. So, again, if it's 10:30 p.m. on New Year's Eve and everybody figured out where they are going to be for the ball to drop, it's crickets out there, the streets are empty, you don't need a lot of drivers, and so the price point goes really far down, the drivers then go get coffee and donuts, they hang out for a bit and then around 11:45, they get back on the road ready for a 12:05, 12:10 surge.

Q. Did you have any agreements with drivers, you used the example of 5 cents and a high price. Do you have any agreements with drivers that you are going to have a 5 cent price or $50 price or anything in

between?

A. No, the only agreement is that we set the price.

Q. You described the math problem without surge and described the math problem with surge that the algorithm has to account for?

A. I mean, it's the same thing. The only question without surge is, what is the baseline, sort of, certainty that you should provide in the system where riders and drivers can initially get engaged, but surge becomes the majority of what is going on because sometimes surge could go below the standard price, sometimes it goes above, especially in, like, an upfront price world, which is how the product works today.

Q. Now, from your experience, could Uber offer a product that matched riders and drivers, but when the consumer got in the car, they would negotiate the price with the driver?

A. No.

Q. What would be wrong with that

working the algorithm?

THE WITNESS: Yes.

ARBITRATOR WEINSTEIN: I interrupted you, I'm sorry. I have a few more questions, but you go ahead first.

MR. ISAACSON: If you want to ask them now, go ahead.

ARBITRATOR WEINSTEIN: Why don't you tell us what effect Uber has had on the taxi business, in general?

THE WITNESS: Well, I think you first have to understand the taxi business. So the taxi industry, let's -- in many ways, started here in New York. There were licenses that were given out to individuals for free that basically allowed them to provide transportation to the public. At the beginning, it wasn't even a fixed price, it was whatever price they wanted. Over time, those people who had those licenses sort of came together as a trade group and started lobbying city

T. Kalanick - Cross

council.

ARBITRATOR WEINSTEIN: You are going back.

THE WITNESS: You have to understand it. They start lobbying city council saying, no more of these free licenses can be given out, what is known as a taxi medallion. That then meant you didn't have enough drivers on the system, which is why when it is raining here, you can't get a cab.

It also meant that the drivers were 100 percent full all the time or they had a high utilization.

The problem was, the guys that got those free licenses, they were like, wow, this is now a controlled system, I don't have competition, I can lease this out to a driver and New York City taxi, let's say, numbers as of 2013, let's just say, 2014, was making, I don't know, 80 or $90,000 a year. If you own one of these licenses, the medallion, you would rent your car out for 80 or

$90,000 a year to a taxi driver and for that privilege, that taxi driver got to be impoverished. So he was basically renting a car for $80,000 a year so that he could make $10 an hour.

And when we came into New York, we had flexible supply and flexible price which meant that it was a far better product for consumers and a far better product for drivers because a driver could go into business for themselves instead of renting a car for 80 grand a year.

ARBITRATOR WEINSTEIN: So you put more cars on the road?

THE WITNESS: It allowed for drivers to; A, work for themselves and; B, be a system that consumers could engage in with reliability that made the system work better and there were more cars, yes, correct.

ARBITRATOR WEINSTEIN: New York is atypical. Takes cities like Philadelphia or Los Angeles, what did

Uber do to the taxis there?

THE WITNESS: Similar there, the structures are similar.

ARBITRATOR WEINSTEIN: I thought that was a softball question. I thought the taxis have gotten a lot better, a lot cleaner, drivers have gotten cleaner.

THE WITNESS: That is true, but if you are one of those medallion owners.

ARBITRATOR WEINSTEIN: There are medallion owners in Los Angeles.

THE WITNESS: Yes, there are.

ARBITRATOR WEINSTEIN: Shows what I know.

I have two other questions I wanted to ask you. I want to ride and there is a driver a mile away from me and a driver five miles away from me and I want to go to the airport. When you say there is a price point, the drivers don't know what the price points are. You were asked questions by counsel about drivers knowing price points.

T. Kalanick - Cross

What do you mean when a driver knows a price point?

THE WITNESS: A driver, when he accepts a trip, generally knows the pricing model for that trip that's about to happen.

ARBITRATOR WEINSTEIN: What does that mean? What does the driver know when he gets a call and says Weinstein wants to go to the airport?

THE WITNESS: He knows what it costs to go to the airport and he knows when it is surging.

ARBITRATOR WEINSTEIN: Does it depend on traffic?

THE WITNESS: When he accepts the trip --

ARBITRATOR WEINSTEIN: About?

THE WITNESS: He knows what the exact price is for the airport trip and he knows what the exact surge is.

ARBITRATOR WEINSTEIN: I have been told the price, but he hasn't been told --

THE WITNESS: He hasn't been told the consumer price, but he knows what he is going to get paid on the trip.

ARBITRATOR WEINSTEIN: Exactly.

THE WITNESS: An airport trip, which is the example, he knows. If it's a trip where he is paid per minute, per mile, he doesn't exactly know, but he knows what the per minute, per mile price is and he understands what the surge is.

ARBITRATOR WEINSTEIN: A guy a mile away doesn't want the trip, but a guy five miles away wants the trip.

Does he get paid more to travel the extra distance to take me to the airport?

THE WITNESS: I don't know for certain. There were discussions during my time of, like, how do you sort of compensate drivers for the pickup time and that may be built into the system at this point.

ARBITRATOR WEINSTEIN: You are on

the board of directors, don't they talk about these things?

THE WITNESS: No.

ARBITRATOR WEINSTEIN: What do they talk about, money, share price -- you don't have to answer that question.

THE WITNESS: I wish they talked about these things. It would be exciting.

ARBITRATOR WEINSTEIN: Isn't one of the consumer benefits here the cleanness of the transaction, the efficiency, I don't have to go into my wallet, I don't have to make change, I don't have to put my card into a machine, isn't that one of the things?

THE WITNESS: Yes, absolutely.

ARBITRATOR WEINSTEIN: Back to you sir.

Q. Just a few more questions. We were talking about Lyft, some other ride sharing platform.

Do they, to your knowledge, use dynamic pricing?

additional money, in addition to a job, right.

So the average Uber driver is doing under 10 hours a week, but those hundreds of dollars a week extra can make a big difference for a family.

Q. Mr. Weinstein mentioned cleaner cars, I mentioned cars now have -- I can swipe a credit card, I didn't used to be able to do it. You've been focused on reliability. What about the reliability for a consumer, since Uber has come on to the scene, what happened to my ability to get transportation promptly, whether I'm going to the airport or crosstown?

A. Because we exist, this is a great option and if it's the lowest cost reliable ride, it creates a dynamic for direct competitors like Lyft or taxis which are kind of indirect, but still in the game. It forces everybody to up their game, to also provide their low cost reliable ride and a high quality one, as well.

So taxi systems have upped their

game because they need to create an experience that people want to engage in, so credit card readers exist, the cars are cleaner, drivers are nicer because that is required for that business or industry to stay in the transportation market.

Q. What about costs for consumers or riders, whether you are going to the airport or crosstown, what's happened since Uber has come on the scene?

A. So I don't think that -- first, I mean Uber is far bigger than the taxi system in most places around the world at this point and it's far cheaper than taxis, so the way that people get around town and having somebody take them somewhere is far cheaper than it used to be and the drivers make more. A driver on Uber will make more than -- so the drivers are making more income per hour and the riders are paying less per trip because the thing is just way more efficient.

Q. This is technically a U.S. antitrust case. Everything would be true in the United States?

forward.

Q. If it were perfect today, you wouldn't need to employ crazy physicist Ph.D.s constantly revising it, correct?

A. That's true. I mean, but also, the world changes, too, so the problem changes as time goes on.

Q. Let me ask you another question. You talked about potential clunkiness on the Uber system if you were to follow some of the suggestions I made during your testimony --

A. We have product manager roles open.

Q. I will reject the offer to avoid the appearance of a conflict with my client on the record.

Let me restate the question.

MR. LIPMAN: They get paid better than the lawyers.

ARBITRATOR WEINSTEIN: There is a pitch for a raise. I can see it coming.

THE WITNESS: I was just kidding.

Q. My question is, Uber could sell rides itself and then contract with its drivers to provide those rides, couldn't it?

brochures says -- every brief in your hundreds of cases says we don't sell rides to customers.

THE WITNESS: Then you have your answer.

ARBITRATOR WEINSTEIN: Don't you know that's the answer?

THE WITNESS: I am not the legal guy. I'm not going through the briefs.

ARBITRATOR WEINSTEIN: You were the CEO, you founded this company. Why are you being evasive?

THE WITNESS: I'm not being evasive.

ARBITRATOR WEINSTEIN: You are.

THE WITNESS: If I'm being evasive, it's because I don't know the answer. I apologize for not knowing the answer.

ARBITRATOR WEINSTEIN: You are worried about saying something wrong. It's a simple question he asked. Isn't it Uber's position that it does not sell rides to riders?

THE WITNESS: I have no idea. I

apologize.

ARBITRATOR WEINSTEIN: Don't apologize, you don't know.

THE WITNESS: Okay.

MR. FELDMAN: I have no further questions. Thank you, Mr. Kalanick.

MR. ISAACSON: Nothing further.

ARBITRATOR WEINSTEIN: Thank you for coming.

May the witness be excused?

(Witness excused.)

MR. FELDMAN: The claimant calls [redacted].

(Recess.)

[redacted] called as a witness, having been duly sworn by a Notary Public, was examined and testified as follows:

ARBITRATOR WEINSTEIN: State your name for the record.

THE WITNESS: [redacted]

MS. MENDOLERA: Mr. Weinstein, you asked me to go through some of the

Q. We will turn to page 5584. This is where the text gets a little bit smaller.

ARBITRATOR WEINSTEIN: You mean Uber stamp 5584?

MS. MENDOLERA: Yes, exactly. Thank you.

Q. Before we zoom in.

ARBITRATOR WEINSTEIN: I'm glad it's so readable.

Q. The upper right-hand corner says, Driver Yelp List?

A. Yes.

Q. You testified today that you looked up town car businesses on Yelp as part of the recruiting process in Seattle, right?

A. Yes.

Q. You can see one of the columns here is titled, Company. Let's zoom in on the company.

Do you see that one of the columns is titled, Company?

A. Yes.

Q. This is a list of Seattle town car companies?

[redacted]

Uber would be constantly surging?

A. Yes.

MS. DENNIS: That's all I have.

ARBITRATOR WEINSTEIN: I just have a few questions.

You said you were the longest tenured hire at Uber?

THE WITNESS: I am now, yes.

ARBITRATOR WEINSTEIN: You proceeded Mr. Kalanick and everybody else?

THE WITNESS: Mr. Kalanick doesn't work there anymore and he was only there, I think, a total of eight years and I have been here nine years.

ARBITRATOR WEINSTEIN: I see. I have two more questions.

Do you regret passing up the job as a barista?

THE WITNESS: I don't.

ARBITRATOR WEINSTEIN: Have you thanked your parents from kicking you out?

THE WITNESS: I have, indeed.

[redacted] - Direct

city to create neighborhoods and so the reason for that is we didn't want to, by way a very old version of surge, would surge the entire city or not, we are talking multiple years ago. A more refined version of that would say, actually, it's really just this neighborhood, but that would still require a manual boundary of where a neighborhood was. A more advanced version of surge would enable us to just really precisely target areas without hard neighborhood boundaries, so those are the types of improvements we made to the surge algorithm and the goal is to really make this as targeted as possible.

ARBITRATOR WEINSTEIN: Lawyers charge by the hour. Slow down.

Q. So one of the things you talked about was making the surge algorithm sort of more specific by targeting smaller geographic areas with surge?

A. Right.

Q. So instead of surging larger areas, Uber surges smaller areas now?

A. Yes.

[redacted] - Direct

A. The underlying algorithms and logic don't differ from state to state. We are testing, as I mentioned, with the rollout of our upfront pricing, we are always testing new features, so there is a feature maybe tested in a city, but the underlying system is the same across all cities in the U.S.

Q. Does Uber use anyone outside of Uber employees to quality check its surge algorithm?

A. No.

Q. Yesterday, Mr. Kalanick testified that Uber has dozens, if not hundreds of Ph.D.s working on the surge pricing algorithm, is that right?

A. A large portion of our data science team and some of our engineers do have Ph.D.s.

ARBITRATOR WEINSTEIN: I think he said crazy Ph.D.s.

MS. MENDOLERA: I didn't want to put that.

Q. He also called them physicist Ph.D.s.

[redacted] - Cross

A. Yes.

Q. Would you agree that surge ensures reliable user experience?

A. Yes, absolutely.

Q. And that it maximizes efficiency?

A. It maximizes efficiency and it maximizes output in the system.

Q. I want to turn to the next page in the presentation where it says what happens when surge breaks.

Do you see that?

A. Yes.

Q. Can you briefly describe for us what this section of the presentation is meant to show?

A. Yeah, this next section of the presentation walks through a case where the engineering system for surge was briefly broken, I think for like a 40-minute period or so here, and it's actually showing what happened in a specific city at that time that happened.

So what you see maybe on, I think on page 8, is the first thing this graph is

[redacted] - Cross

In the prior weeks, the average surge had been closer to 1.5 at this time and place.

Q. So if you flip the page to page 9 of 35, can you describe for us what this page is showing?

A. Sure. So the top graph here is just the same one, kind of for comparison of the time period and the next two graphs on this page are showing the number of open cars in this period are getting -- are cars that are available to take riders are getting much more rapidly consumed and there isn't sufficient replenishment of new cars coming in, drivers don't know to move here because they're not seeing anything on the map, they are not seeing surge here, so the dropoff in open available cars is significant compared to -- much deeper than the previous weeks and the cars are all getting used up, which is what the utilization is showing.

Q. If you flip the page to page 10 of 35.

A. Yes.

[redacted] - Cross

Q. It says, ETAs skyrocket as a result.

Can you explain what is happening here?

A. Yeah. So that second and third graph are showing what happens to rider request times, so, on average, this is an area where, in historical weeks, ETAs were around three to four minutes and when surge is breaking and there is no way to efficiently clear the market, that time starts skyrocketing up to eight minutes, eight plus minutes, prerequest of what we are quoting and over 10 minutes to actually get the car to you.

Q. If you flip the page to page 11 of 35, do you see where it says, Rider? I assume that should be riders and drivers get awful experiences.

Do you see that?

A. Yes.

Q. Can you explain that a bit for us?

A. This is kind of what happens when the market starts degrading that severely and

people are waiting and, by the way, that 10 minutes as an average, that could be for individual riders, that could mean 15 or 20 minutes for some individual riders and drivers. They are canceling on both sides of the market, cancellation rates are skyrocketing up to 40 percent on the riders' side. What that means is I'm getting 10 minutes, I will cancel and see if I get lucky and somebody happens to opens up near me, this time, it's 12 minutes. I will keep canceling. It's terrible for drivers that they keep getting cancelled on. It's a really bad experience for riders to have to be fishing for closer cars and 40 percent rider cancellation rate is terrible.

On the flip side, some percentage of drivers is also doing the same thing when they get that 15, 20-minute pickup, they are just cancelling it and knowing that, okay, if I just keep canceling enough, I will get lucky and get someone closer by.

Q. The next page, this is page 12 of 35. Trips suffer as the network bottlenecks.

[redacted] - Cross

Can you explain what is happening on this page?

A. Yeah, so the first two graphs are showing the cancellation rates again, but what you can actually see, completed trips is the overall output of the system and you can see overall, the system is far fewer trips are actually happening compared to the historical patterns. It's a very steep decline in the number of trips because riders and drivers are essentially giving up on our ability to provide them with a reliable experience.

Q. On the next page, which is page 13 of 35, it says, Other examples of how Uber breaks, and it lists New York, New Year's 2015, in a sold out Ariana Grande concert at Madison Square Garden in 2015.

Do you know what to those are referring?

A. Yeah, so New Year's Eve, unfortunately, is among the peak hours of New Year's Eve right after 1:00 a.m., our surge system went down and we can talk about what

switched over, many of our cities, maybe most of them from nonsticky surge to sticky surge.

Q. You believe some cities are still using the nonsticky version?

A. I don't know.

ARBITRATOR WEINSTEIN: I may have gotten the decaf by mistake.

What is sticky?

THE WITNESS: In the past, in the old version, that colored heat map would be recomputed every two minutes, so if drivers and rider balances within a hexagon change from two minutes to two minutes, the surge can go up and then down very fast. This made drivers mad because drivers who were trying to drive in to get to the hexagon were going to think they would get a reward, but as soon as they got there, too many other drivers arrived, so the surge went down, so they have driven all the way for nothing, so drivers didn't like that, so we updated it, so we now have what I call it sticky driver surge and that one

exact words of the stipulation with him.

ARBITRATOR WEINSTEIN: Again, I think this horse has also left the barn, as I recall.

MR. LIPMAN: It's impressive because he is dead.

ARBITRATOR WEINSTEIN: They buried it.

MR. ISAACSON: I don't know if we need a stipulation. We are not going to disagree with the statement of the chief legal officer of Uber, which is in the record.

ARBITRATOR WEINSTEIN: It's in evidence in the end.

Q. Just a few more questions.

These are about metrics. Earlier on, you told me about your work at Uber developing metrics.

You did that as a senior product manager, correct?

A. Yes.

Q. One metric you used was ETA, estimated times of arrival, correct?

You understand this to be some promotional material by Side Car, right?

A. It could be. It could also just be their experience, it could be either of those, I don't know.

Q. In this example, there is two drivers offered?

A. As well as a third at the bottom, that is peaking, it tells you that you can scroll and get more.

Q. What happens if you get -- if there are 50 drivers available, do you have to scroll through all of them?

A. Yes.

ARBITRATOR WEINSTEIN: It's like a dating service.

THE WITNESS: Yes.

Q. Perhaps less interesting.

What happened to Side Car?

A. They went out of business.

Q. I think you explained very completely the change in how surge price is shown and the upfront pricing, but did I understand that if there is a surge price

[redacted] - Direct

optimal solution and what that does is it ensures that there is no pockets of riders or drivers that end up, by dumb luck, being too far away from other drivers that they can't be served.

So batch matching is a key innovation to helping serve all of our riders and drivers better by ensuring none of them get starved in these localized pockets.

ARBITRATOR WEINSTEIN: This sounds like the three-city problem for which there will be a prize in mathematics, there is an unsolvable problem of connecting three cities.

THE WITNESS: The three-body problem.

ARBITRATOR WEINSTEIN: Yes.

THE WITNESS: That's planets that gravitate around each other.

ARBITRATOR WEINSTEIN: There is also one about not crossing the lines and -- it's the salesmen, a trip for the salesmen.

THE WITNESS: Traveling salesmen.

[redacted] - Direct

ARBITRATOR WEINSTEIN: You solved it. You should put in for the metal.

THE WITNESS: We come up with a good enough answer, that's not the optimal one, so no one will give us a metal. But the other thing is we solved it for hundreds of thousands of people all at once, which is, in my opinion, a way cooler answer, a better answer.

Q. On page 2, the question is, What's so complicated about matching?

A. Yes.

Q. Why don't you explain what's so complicated about matching?

A. In addition to this problem of the localized pockets of riders and drivers getting starved, we also have to account for the fact that the nearest driver to you may also have a river in between you and so we actually have to account for the fact that that driver has to drive all the way up, cross over a bridge and come down to find you, so even if I was matching you to the closest driver, I wouldn't be aware that you

had to cross a bridge.

Another problem is that every group of riders and drivers have a different propensity to cancel, so if some drivers see a certain kind of trip clause and they just cancel the trip right away.

So, now, in my fancy batch solution that I came up with, if the first driver I allocated you to is a known canceler, he will cancel straight-away. Now, you are the odd one out in this network that's been solved and then I have to go and solve it all again.

So I have to account for the fact that riders and drivers cancel because I must have a good enough solution when I have to fall back when things go wrong.

And the final thing that happens is that we have things called driver preferences, so this allows for drivers to tell us that they would like to go home at the end of the day and if you want to go home at the end of the day from San Francisco to Marin County or something, you would be devastated if we gave you a trip that had to

take you to Santa Cruz. That would make you very miserable because then you would have to drive all the way back out empty at the end.

And so we have what's called driver destinations that allows drivers to tell us where they want to get to and that helps us not give them trips in this big batch match that are going to go towards a place they don't want to go.

So we are solving all of these and a whole lot more issues in this batch solution that we are coming up with and it's the benefit of that matching, when you are coming up with 20 different drivers or more that can serve every rider and then picking the best combinations of solutions of all of those candidates for each one.

ARBITRATOR WEINSTEIN: You are in the happiness business.

THE WITNESS: Yes, everyone happy all the time is what we like.

Q. And as it states here, you are doing all that while millions of people around the world are logged on to your app?

A. Yes. This is happening tens of millions of times a day, all in realtime through a very large computational server.

Q. And it says, under the next thing, it says how batch matching works. There is a reference about how you are aiming to reduce the average wait time for everyone.

How does batch matching reduce the wait time?

A. That is the narrow benefit of the first benefit of the batching is that you remove those riders and drivers on the edges that through dumb luck, were close to an available driver, so everyone's ETAs come down on average because we can better match all the pairs together.

Q. Then it says on the next page, page 3 of 4, the last sentence on the page says, In fact, every day it saves 10 years of people's time.

Can you explain that?

A. In the opposite world where we didn't have batch matching, the ETAs of so many of these drivers to get to riders would

[redacted] - Direct

bad overall experiences.

The last thing I will say is that in this model, this model, I don't believe it was pricing in these higher wait times, so drivers were bearing the cost of having riders select them from much further away. They would set the base price for the time and distance, but the driver would bear the cost of the much higher wait times, even though they were chosen from further away. Which in our view is unfair to the drivers and it's inefficient to have that many human minutes spent driving around without getting paid. That's the reason why 10 years worth of time are saved every day by Uber's batch matching.

Q. Just to finish up. From your work at Uber, what did you observe about what is happening with local transportation since Uber started and as its continued to grow?

A. There has been an explosion, I think is the right word, in demand and service and an example of this is Los Angeles, where we have the data in one of

[redacted] - Redirect

these slides you showed. Before Uber arrived, there were roughly 9 million taxi trips in the city. After Uber had launched and grown quite a bit, I think it was 2016, there were almost the same number of taxi trips, but there were additionally 90 million more Uber trips, so I think that examples like that, and we have many of them from other cities, just demonstrate the hunger that cities had for great transportation that was not met by the solutions they had before Uber and Uber can really take a lot of the credit for breaking into those markets and figuring out how to do it in a way that was better than it had been done before.

MR. ISAACSON: No more questions.

ARBITRATOR WEINSTEIN: How much do you have?

MR. FELDMAN: Before 5:30.

REDIRECT EXAMINATION

BY MR. FELDMAN:

Q. You talked about antigaming measures at Uber?

A. Yes.

whom she interviewed were such that we cannot rely on her report to represent correctly the views, even of those drivers.

Q. And how about drivers, more generally?

A. Given the absence of the other stages I described of creating a frame and selecting a scientific sample, even had they been, if we were to continue on the data of the drivers themselves, being of value, there would have been no way to generalize from these drivers to the broader, to any broader population of drivers.

MS. DENNIS: Thank you, Professor. I have no further questions at this time.

ARBITRATOR WEINSTEIN: I am very disappointed in one of your omissions.

My wife can attest to the fact that any question put to me while I'm driving in traffic bears no relationship to the same question that I answer later.

THE WITNESS: I fear that I might be able to give a parallel example

product quality is wait time and dynamic pricing or surge pricing is an important part of their product. Without surge pricing, you would have a different -- a lower quality product.

Q. If we can turn to the next page, page 6, why don't you summarize your second opinion?

A. Second opinion is I looked at the empirical evidence and it's consistent with what I just said.

If you look at what surge pricing does, maybe it's obvious after listening to the hearing, it's obvious that surge pricing is designed to control wait times in high demand periods, designed to prevent wait times from going up and if you didn't have surge pricing, you would get a lower quality product. Lower quality, by that I mean, you would have to wait longer.

So it's clear what I just -- that the empirical evidence supports the notion that surge pricing is used for the quality of the product.

D. Carlton - Direct

And the second piece of empirical evidence I will be talking about is Uber spent hundreds of millions of dollars to try to mitigate the use of surge pricing. They are trying to induce suppliers to come into the area, so they pay suppliers, even though the customer, the rider, me, is not paying a higher price.

The only way you can explain that is they are trying to provide a desirable product to consumers and that observation is completely inconsistent with a claim that its surge pricing is a price fixing conspiracy. Surge pricing is a price fixing conspiracy designed to raise the profits of the drivers and everyone's profits.

Uber wouldn't be spending a lot of money to mitigate its use, so that observation completely undercuts the claimant's theory.

ARBITRATOR WEINSTEIN: I thought you are not giving any legal opinions.

THE WITNESS: From an economic point of view, you can't say the price

fixing conspiracy, that surge pricing raises your profits if you are paying someone to mitigate the use of that, so it's purely from an economic point of view.

Q. In the middle of your answer, you said, I will be talking about how Uber spent hundreds of millions of dollars to try to mitigate the use of surge pricing, they are trying to induce riders to come into the area.

You meant to say drivers?

A. Drivers, yes, to induce drivers, they pay drivers to basically hang around.

Q. Your third opinion?

A. My third opinion, again, goes to the business model of Uber that allows free entry is, again, completely undercuts any theory that there could be a successful cartel to raise price.

A cartel, a surge pricing being price fixing means price is high, so that the drivers are earning lots of money.

Well, if anybody can become a

driver, you would have a lot of entry of people to become drivers and that will drive down the earnings of drivers, so you can't have a price fixing conspiracy if there is free entry into the conspiracy really.

By definition, you prevent drivers from earning a supracompetitive wage.

Q. Finally, why don't you summarize your fourth opinion?

A. The fourth opinion, as I understand it, the claimants have not attacked the Uber app. They said, that's okay, it's surge pricing, that's the problem, but from an economic point of view, you know, if Dennis orders a ride in a nonsurge period and uses the Uber app, the price I pay is determined by the Uber app. If I am in a surge period, same thing happens. I can't figure any principle economic basis to distinguish those two things.

Q. So turning to slide 7 before we go through the details of those opinions, just brief background on the point of view of economics about how price fixing conspiracy

work.

In general, what does the field of economics teach us about how a price fixing conspiracy works?

A. In a price fixing conspiracy, someone is setting the price that a bunch of horizontal rivals are charging and the price is elevated above the competitive level. That allows the people in the conspiracy to make more money and it harms consumers because they buy less and have to pay a higher price. Quality of the product stays the same and just a pure harm to society.

Q. How would someone in your field try to determine how or whether a price fixing conspiracy was harming consumers?

A. One thing you would look at is you compare the price in the conspiracy period to the price in a comparable period when there is no conspiracy and is it higher and if it was, you could and couldn't figure out any other reason for why that would happen, you can say that's evidence that the conspiracy has had an effect and that's a standard way

of estimating harm in a price fixing conspiracy.

Q. Is that sometimes called a benchmark analysis for comparison?

A. Yes. So when you look at the price in a conspiracy period and you compare it to what is sometimes called the but-for world or benchmark world, which is a comparable period when you don't have the conspiracy.

Q. If you observe a price increase, does that mean that's evidence of a cartel price?

A. No. So just take a simple example, simple competitive model where supply equals demand and all of a sudden, suppose the demand increases, price will go up. That's what you teach in every basic economics course.

So the fact that price is going up is not proof that there is a cartel, by assumption, I said it was a competitive model.

In fact, if you didn't allow price to go up, that would create an inefficiency

because you would see demand go up, but supply is not going up because the price is remaining at the same level, so you have to stop rationing customers because there is excess demand for the product.

Q. So there has been discussion in this case that surge pricing is higher than a base price.

Does that higher price for surge pricing compare to a base price mean that that's a cartel price or supracompetitive?

A. It certainly does not indicate that it's a cartel price for exactly the same reason I described. The price is going up in surge pricing in response to an increase in demand and why is that happening? That's happening, as I sort of alluded to earlier, because Uber wants to control the quality of its product. If it didn't raise the price in peak periods, waiting time would go up, so the quality of the product would deteriorate, so interfering with what happens to price when demand goes up is an interference with the process by which you allocate a goods to

consumers and you just can't say, because price goes up, it must be a cartel, that doesn't follow at all.

Q. So let's talk about the details of your opinions.

On page 8, would you explain, here is one of the reasons why it's stated that price fixing is an improper label for Uber's app and surge pricing.

Would you explain your opinion there?

A. Sure. I view Uber as having created a new innovative product. Through the Uber app, it matches riders to drivers in a way that basically people hadn't done before and as a result, they're able to provide on demand transportation services, reasonable prices and with reasonable quality characteristics and the important quality characteristic is wait time, low wait time and the way they do that is sort of -- it's on the next slide, Uber is in a vertical relationship with riders and drivers and the vertical relationship with drivers is

the airport, Uber is reliable enough that I can press a button and they are there within three to five minutes. Initially, she says, what happens if it's a long wait time, then we will miss our plane. My experience, I take it all the time, they are reliable enough that we can go to the airport that way. If you didn't have that, then maybe when I want to go to the airport, I will press the button and it says, oops, it's going to be a long wait and I will catch hell from my wife.

ARBITRATOR WEINSTEIN: You can tell your wife now you can time order it for a specific time?

THE WITNESS: Yes, that she will not agree to because she is not convinced that I know how to use the app correctly. I assure you, I could do that, but, anyway.

MR. LIPMAN: We can find you a tutor.

Q. On this page, you use an illustration of a price with different wait

times.

Can you explain your thinking there?

A. This is just making the point that quality is an important characteristic and the important quality characteristic is wait time and if you pay a high price, a higher price, $15 for a low wait time service, four minutes, so that it's $15 for four-minute wait, $10 for an eight-minute wait, it would be wrong to say that the person paying $15 is overpaying, being price gouged. That person is getting a higher quality product.

If I want to go to the airport, I want to get there, I don't want to wait. It's not correct to say, oh, Dennis is paying $15, he is being priced gouged. I'm get a higher quality product and I'm willing to pay that higher price to get the higher quality product.

Q. So let's turn to page 12. You said there is empirical data that supports your opinion.

Would you describe what that data

Q. You've written that the per se approach to price fixing is based on evidence of conspiracy, rather than the economic affects of the conspiracy.

Is that still your understanding?

A. Let me see the context. Let me tell you my understanding. I was at the Justice Department where we were constantly talking about per se verse rule of reason.

My understanding is that per se is used for that category of violations that we have, we, meaning, the courts, mainly judges, have experience with and which -- and there is no inquiry necessary in order to determine whether the behavior is bad or not. We want to stop that behavior. So we are all in the same industry.

We get together in a room and we say, let's fix the price. My understanding is that's a per se violation and, you know, you can be prosecuted and go to jail. That is not true of many other types of collective behavior in which it's more complicated and that you could have efficiency justifications

D. Carlton - Cross

and you would want to use a rule of reason to make a determination whether the procompetitive aspects of the behavior outweigh the anticompetitive affects of the behavior and that's what you weigh in a rule of reason.

So, for example, I teach that a case like Ascap or BMI is not a per se case precisely because they are creating a new product. That's not the behavior you want to stop. You want to stop the behavior in which people get together in a room and jack up the price for the express purpose and solely for the purpose of raising the price, harms consumers, they make money.

ARBITRATOR WEINSTEIN: How about a hub-and-spokes conspiracy?

THE WITNESS: Absolutely. Hub-and-spokes, you would be opposed to because you have a ringleader who is organizing the cartel and the sole purpose of the cartel is to jack up the price and to harm consumers and for the cartel to make more money, it's not to

D. Carlton - Cross

so he is influencing the quality of the product.

What do I mean by quality of the product? The sales effort that would accompany the sale of a product.

So if I go into a camera store, there is a salesman who is knowledgeable to tell me what camera fits my needs. That's different than having -- walking into a store with no salesman who is knowledgeable and I can buy a camera real cheap.

ARBITRATOR WEINSTEIN: I'm making Mr. Lipman nervous. Let's go back.

MR. LIPMAN: I'm worried he will take my job.

MS. MENDOLERA: I just want to make sure that I understand.

ARBITRATOR WEINSTEIN: Even arbitrators have to have fun, you know.

The nice thing about sitting where I'm sitting is people laugh at your jokes.

THE WITNESS: They also laugh at

allow Uber to set the fares, correct?

A. Uber is setting the fares, drivers allow Uber to do that.

MR. FELDMAN: No further questions.

ARBITRATOR WEINSTEIN: I'm sorry, you will be leaving us. You can have the rest of the day off, as far as I'm concerned.

(Witness excused.)

MR. ISAACSON: During Dr. Carlton's testimony, there were certain exhibits of his, the charts, where the issue was whether the data -- whether there was a foundation for saying that the data was Uber data that was in the ordinary course data.

ARBITRATOR WEINSTEIN: Yes.

MR. ISAACSON: I think that foundation has now been laid and the whole dec has come in as reflecting his testimony, but I believe that the charts on pages 14 through 16, as well as 22 and 23 and 20 should come in as appropriate summary exhibits of the

case too in the 2nd Circuit and in the Southern District, right. The contingency that the only condition on which a publisher would agree to the terms in Apple was if it could be sure it's competitors were doing the same thing. That's the same with Toys R Us. That's the same here. That's why Judge Rakoff got it right. You don't have to follow him as a matter of preclusion.

ARBITRATOR WEINSTEIN: I have great admiration for Judge Rakoff.

I have a few questions for you. Your client is not here now. He said he will no longer use Uber, right?

MR. FELDMAN: I don't believe that was his testimony.

ARBITRATOR WEINSTEIN: He is now using Lyft.

MR. FELDMAN: He is not using Uber currently, that's right.

ARBITRATOR WEINSTEIN: Lyft is doing the same thing.

MR. FELDMAN: Without revealing

So let me go back to the what the proof is showing. On slide five, we have shown evidence of increased supply, there is an increased volume of rides including with surge.

[redacted] walked you through the charts about what happened with surge and how driver supply fell in the absence of surge. Lower prices, Uber is a low price leader. You asked the question to Dr. Carlton, you can have a low price conspiracy, they argue about that but that's a predatory pricing conspiracy and that's not a consumer theory. That's not what is going on.

And they're doing this for all procompetitive reasons, without bringing in profits, in order to compete in the marketplace.

You heard uncontested evidence of increased quality, cleaner taxis, Uber, Lyft, stimulating innovation, that this is one of the most revolutionary innovative industries that's ever

happened. This enormous complexity of all these millions of riders and drivers being matched at a price. You heard all of that evidence. And it was uncontested that this was promoting interbrand competition.

Now, you heard about the evidence that talks about the balancing of supply and demand, this is a two-sided market and the point is, well, our math isn't perfect. Exactly, that's the point of competition. Lyft gets to try with some better math, somebody else gets to try coming in without any math and compete. They can come in, the absence of -- the inability to perfectly match supply and demand is not price fixing. That's competition.

ARBITRATOR WEINSTEIN: You don't need 50 crazy mathematician Ph.D.s...

MR. ISAACSON: Slide 6, the evidence we heard, I think it's conceded this is a new product, consumer benefits and more efficient market. Dr. Carlton

three days you've spent with us, for the work you've done before that, the work we will be asking you to do from this point forward. We asked you you for a reasoned award because we believe strongly that there should be a declaration that a company that does something like this is to lauded under the antitrust laws and not condemned because otherwise the antitrust laws are taking a very dangerous turn and going down a very dark alley. All of us who worked hard on this appreciate all the hard work you are doing.

ARBITRATOR WEINSTEIN: I want to say on both sides, the writing has been as good as I have seen, and I have seen a lot of writing. It's been excellent. I want to say to you Mr. Meyer, not -- Mr. Feldman, not only do you have the burden of proof, you have the burden of persuasion. If you think you can distinguish Leegin and you want to brief it, I haven't read Leegin recently but

if you want to brief it, I will give you the opportunity but I think that's where your case rests. Distinguishing Leegin.

Most of the cases we talk about are cases decided before the internet existed, before this digital age was upon us which has changed a lot of stuff.

I must say I act out of fear. My fear is if I ruled Uber illegal, I would need security. I wouldn't be able to walk the streets at night. People would be after me.

So I want to thank you for your hospitality.

Do you want to brief it.

MR. FELDMAN: Of course, yes.

ARBITRATOR WEINSTEIN: How much time do you want to brief it?

MR. FELDMAN: I'm not sure. I would like to talk to Mr. Isaacson.

ARBITRATOR WEINSTEIN: You can brief whatever you want to brief but I have a good handle on all the arguments

you made, you've all given me beautiful brochures that are well done. I know exactly what everybody's position is but I think your problem is Leegin, no pun intended.

MR. ISAACSON: Just some clean up, we will send you electronically a binder of the transcript -- give you manually a binder of the transcripts. We can send that to your office or to your hotel this week.

ARBITRATOR WEINSTEIN: I'm leaving the country.

MR. ISAACSON: We will also work on having a joint set of admitted exhibits so we will coordinate on that and send that to you.

ARBITRATOR WEINSTEIN: The nicest thing you can do for me is pile up all this stuff that I have here that I leave and send it to me. And you have been very good about that. This is not going to Bogota.

MR. FELDMAN: Thank you for your

time.

(Time noted: 6:00.)